UNITED
NATIONS

DP

Governing Council
of the
United Nations
Development Programme

Distr.
GENERAL

DP/1993/10/Add.1
12 May 1993

ORIGINAL: ENGLISH

Fortieth session
1-18 June 1993, New York
Item 2 of the provisional agenda

ANNUAL REPORT OF THE ADMINISTRATOR 1992

Addendum

MAIN PROGRAMME RECORD

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I. PROGRAMME RESOURCES

A. Pledges

1. Based on the pledges received by early May 1993 and the estimates of contributions from countries that have been unable to pledge so far, 1993 voluntary contributions to the central resources of UNDP are expected to amount to approximately $930 million, using April 1993 United Nations exchange rates. This represents a large decrease from the 1992 level. For the second consecutive year, the growth rate for UNDP central resources fell significantly short of the target set by the Governing Council of an 8 per cent annual increase. This situation also jeopardized the ability of UNDP to meet its targeted level of resources for planned and ongoing programmes.

2. At the November 1992 Pledging Conference, the United States and Austria announced increases in their contributions of 16 per cent and 10 per cent respectively, surpassing the Governing Council target of 8 per cent per annum. Luxembourg increased its contribution by 25 per cent. Other major donors who have so far made pledges are Belgium, Canada, Denmark, Finland, France, Germany, the Netherlands, Norway, Spain, Sweden and the United Kingdom. Denmark and the Netherlands pledged contributions at levels higher than their 1992 contributions. Of the recipient countries that have pledged, Benin, Bhutan, Botswana, Djibouti, Fiji, Guinea, India, Kenya, Lesotho, the Maldives, Mauritius, Mongolia, Nigeria, Panama, Romania, Thailand, the United Republic of Tanzania and Viet Nam all surpassed the Governing Council's growth target. Nine recipient countries have pledged $1 million or more each: China, Cuba, India, Indonesia, Mexico, the Republic of Korea, Saudi Arabia, Sri Lanka and Thailand.

3. With a substantial increase in its voluntary contribution, the United States resumes its position as the largest donor in 1993. Sweden, the largest donor in 1992, will continue to be among the major donors in 1993, a list which includes Canada, Denmark, France, Germany, Italy, Japan, the Netherlands, Norway, Switzerland and the United Kingdom. India continues to maintain its status as the largest donor, not a member of the Organisation for Economic Cooperation and Development.

4. Total UNDP income, including contributions to UNDP-administered funds, as well as cost-sharing and trust fund contributions, is estimated to exceed $1.3 billion in 1993.

B. Programme expenditures by source of funds and region

5. Field programme expenditures (including indicative planning figures (IPFs), Special Programme Resources (SPR), the Special Measures Fund for the Least Developed Countries (SMF/LDC), cost-sharing and government cash counterpart contributions) in 1992 were reported at $1.027 billion, a 10 per cent decline from the previous year. Of total field programme expenditures, 52 per cent went for project personnel, which includes internationally and nationally recruited personnel and United Nations Volunteers (UNV) specialists; 18 per cent for subcontracts; 15 per cent for project equipment; 11 per cent for training and

the remainder for miscellaneous expenses such as maintenance and operational costs (tables 2 and 3 of the statistical annex contain further details).

6. Divided by main sources of funds, the largest share of field programme expenditures in 1992, 72 per cent, comes from the IPFs. Cost-sharing expenditures, which have been increasing considerably over the past seven years, accounted for more than 22 per cent of these expenditures; SPR for 5 per cent. A more detailed breakdown is given in table 3 of the statistical annex.

7. Regionally, Africa absorbed 34 per cent of field programme expenditures in 1992; Asia and the Pacific 29 per cent; Latin America and the Caribbean 23 per cent; Arab States almost 8 per cent and Europe 1 per cent. Expenditures under interregional and global projects accounted for less than 7 per cent of the total.

C. New project approvals

8. There were 972 new projects approved during 1992, falling from 1,129 in the previous year. In dollar terms, the value of new project approvals was about $642 million, compared to $690 million in 1991. Of the $642 million for new projects, $229 million, or 36 per cent, represented cost-sharing from Governments and third-party donors.

II. COUNTRY AND INTERCOUNTRY PROGRAMMES

A. Africa

9. Political background. Africa is undergoing radical political change. In 1992, UNDP supported democratization and electoral processes in 22 African countries with advisory services, resource mobilization, logistical support and follow-up (observers), and development of social funds or social safety nets. Electoral support in Namibia, Mali, and Ethiopia was particularly successful, while UNDP coordinated approximately $5 million in cost-sharing support for the election in Angola, where the results were finally not accepted by all parties and fighting resumed. UNDP also assisted in demobilizing and reintegrating ex-servicemen into the private sector in Ethiopia. An estimated 350,000 ex-servicemen benefited from donor contributions, including that of UNDP (about $7.87 million). A similar programme is now being negotiated in Mozambique.

10. The United Nations New Agenda for the Development of Africa (NADAF). This calls upon African countries to pursue their commitment to themes such as human development, democratization, and the promotion of regional cooperation. The international community is also called upon to assist countries to find solutions to the debt problem, to increase resource flows and economic diversification, to improve market access, and to make regional integration more effective. The entire management plan of the Regional Bureau for Africa (RBA) for 1992 was aligned with the major objectives of NADAF, including the implementation of the African Capacity-Building Foundation (ACBF) and the National Long-Term Perspective Studies (NLTPS) Programme. The NLTPS Programme, established at the Maastricht Conference, aims at creating a national process for establishing long-term development strategies and priorities. Plans have

been launched in nine countries and a further 20 countries have submitted requests for studies. ACBF, an initiative of UNDP, the World Bank and the African Development Bank, seeks to strengthen regional and national capacities to formulate and manage national economic policies and programmes and to support the internalization of long-term development planning. In addition, UNDP assisted the United Nations in coordinating NADAF activities by supporting its secretariat and participated in the High-Level Group chaired by the Secretary-General to stimulate the implementation of NADAF.

11. Innovative humanitarian relief programmes. These were implemented in response to drought, famine, and political upheaval, which have resulted in a minimum of 5 per cent of the continent's population becoming either international refugees or internally displaced. A relative success for the international community was assistance to drought relief in southern Africa. Over $500 million was pledged for drought-stricken southern Africa at a donor meeting organized by the United Nations Department of Humanitarian Affairs (DHA) and the Southern African Development Community (SADCC). An allocation of $50,000 was made by UNDP for each affected country for institutional support to deal with the emergency situation. The Resident Representative in Zimbabwe was designated as liaison between Resident Coordinators, the SADCC Food Security Unit in Harare and DHA. UNDP field offices provided IPF funding for projects such as the three in Malawi estimated at $1.9 million to coordinate drought disaster-preparedness and relief and to strengthen the institutional capacity of non-governmental organizations (NGOs) to respond to the drought. DHA and the United Nations organized a special subregional training workshop in Harare for Government, the United Nations, NGO and other bilateral donor officials for six of the affected countries.

12. Political upheaval and resumed fighting in Liberia resulted in increasing numbers of uprooted people. UNDP responded by providing emergency assistance to 40,000 displaced persons, coordinating the ongoing relief effort, undertaking an assessment of the needs to be addressed, and providing logistical support to deploy relief supplies and equipment. In Mozambique, the Resident Coordinator, designated the United Nations Special Coordinator for Relief Operations, and UNDP provided technical support to National Executive Commission for Emergency (CENE), as well as to the provincial emergency commissions in six target provinces following the Security Council creation of the United Nations Office for Coordination of Humanitarian Assistance (UNOHAC). A large multi-donor programme to reintegrate displaced persons and returning refugees into social and productive life was supported. In Angola, a special relief programme in provinces threatened by fighting and drought-induced famine, launched in 1991, entered its second phase. In addition to providing humanitarian relief, the United Nations-coordinated effort also addressed basic rehabilitation needs, including the reconstruction of roads, bridges and other basic infrastructure.

13. Environment and natural resource management. In many ways, 1992 was a watershed year. UNDP was instrumental in preparing African countries for the Earth Summit in Rio and in assisting in implementing its recommendations. RBA collaborated with the United Nations Sudano-Sahelian Office (UNSO) and the United Nations Conference on Environment and Development (UNCED) to assist Governments to prepare national reports for the Earth Summit. These reports provided an excellent framework for evolving national sustainable development strategies. As a member of the Joint Secretariat, RBA assisted Africans in

negotiations before and during the conference. The African group was particularly effective in convincing other participants of the need for the International Convention on Desertification. A total of seven UNDP-sponsored African projects, amounting to $18 million, were approved for funding under the Global Environment Facility (GEF). A range of innovative projects were being implemented, including the Mauritania project on Wind Electric Power for Social and Economic Development to establish and replicate a coherent and economically sustainable infrastructure that can deliver decentralized wind-based rural power services on a regular and expanding basis. In a semi-arid zone of Burkina Faso, a pilot project to demonstrate how biodiversity can be conserved within wildlife ranching systems was designed to be implemented in collaboration with village associations and local as well as international NGOs. In total, 13 projects were launched, including four regional projects totalling $52.5 million with global warming projects slightly outnumbering those addressed to biodiversity.

14. Programme approach. This was solidly introduced in the formulation of fifth cycle country programmes. Seventeen country programmes were approved and a further eight were finalized. The fifth programme for Malawi represented a comprehensive attempt to apply the programme approach in the country programme, dedicated to poverty alleviation. Application of the programme approach at a sectoral or thematic level was deepened. A successful example of a sectoral-level programme approach was that of Uganda, where it was used to develop a national programme to combat HIV/AIDS. In terms of mainstreaming the six areas of focus specified by the Governing Council in its decision 90/34, the country programme for the Seychelles was a model for the analysis and programming of gender-in-development issues. Increasingly, reform packages and national programmes include targets for the achievement of women-in-development goals as well as those of gender and development.

15. Capacity-building. UNDP assisted Governments to develop and formulate economic management and capacity-building programmes. Four such programmes were launched in Burkina Faso, Côte d'Ivoire, the Gambia, and Zambia while requests were received from Congo and Mozambique. The furthest advanced was the 1992 programme of the Gambia to develop national economic management capacity.

16. National technical cooperation assessment and programmes (NATCAPs). Five new NATCAPs were launched and four others reactivated, bringing the total number of African countries involved in actively implementing NATCAPs to 33. Technical cooperation programmes were completed in six countries and were well under way in 12 others. A turning point in the methodology for technical cooperation programmes was reached at a workshop held in Senegal in July. Representatives from over 20 African countries finalized draft guidelines and reached consensus on the appropriate methodology for the programmes. The book Rethinking Technical Cooperation was published.

17. Round-table meetings. Seven successful meetings were held and experience from local sectoral round-table meetings proved useful in establishing mechanisms and processes for assisting Governments to coordinate, manage and evaluate national programmes with multidonor participation. UNDP and the World Bank agreed to an active role for UNDP in World Bank-sponsored Consultative Group meetings and vice-versa to ensure coordination of multilateral support for policy dialogue and resource mobilization.

18. Human development. A concerted effort was made to operationalize the concept in all aspects of programming and a number of innovative initiatives were undertaken. In Botswana, a major national exercise was carried out to prepare a country human development report for publication in early 1993. A planning symposium was held in Addis Ababa on the rehabilitation of the Ethiopian economy with a human development perspective. In Cameroon, a human development report was produced which focused on the relationship between economic adjustment and human development. Other notable achievements included the human development programming mission in Madagascar, where a team of international and national consultants helped the Government to integrate economic adjustment and human development concerns in a human and social development strategy for the next 20 years.

19. HIV/AIDS. UNDP played an advocacy role through the country programmes, including the sensitization of African policymakers and community-based organizations to the human, social and developmenal implications of the pandemic. National capacity to respond to the pandemic was strengthened through national training workshops. Programmes including 30 projects were developed, ranging from support for the development of multisectoral national programmes and national capacity-building for programme development and coordination to community mobilization for behavioural change and care and survivor assistance programme.

20. Restructuring the Regional Bureau for Africa. To meet the challenges of decentralization, budget cuts and substantive backstopping of field offices, the functions of the LDC Unit were mainstreamed into the country division teams since the majority of the countries in the region are LDCs. An economist was assigned to each country division and the functions of the programme managers were upgraded. A small core of economists was placed in the new Policy Analysis and Regional Programme Division, which is responsible for the methodological work for existing economic initiatives and for the development of new instruments, and proposals were developed for strengthening programming quality at the field level.

B. Asia and the Pacific

21. Country programmes. Country programmes were approved for eighteen countries and five extensions. The inter-country programme for the fifth cycle was also approved.

22. Programme approach. Use of the programme approach gained momentum in both inter-country and country programmes. UNDP assisted national authorities in a number of countries in developing national programme frameworks - a necessary prelude to programme formulation. In China, eight programmes in agriculture, forestry, industry and the development of natural resources were approved. In India, the jute and leather programmes became operational, and formulation of programmes in rainfed agriculture, education, energy conservation and oilseeds got under way. In Thailand, the subprogramme on human resources development under the fifth cycle country programme focused on increasing the relevance of and access to education.

23. Human development. UNDP assistance was increasingly sought to translate the principles of human development into national development strategies. For example, following a one-year UNDP-assisted study, a human development report for Bangladesh was published and the Government sought UNDP cooperation to integrate human development concerns in the country's fifth five-year plan. In the South Pacific, UNDP helped compile country human development indicators to be used to prepare a Pacific human development report and to formulate country-specific human development strategies and policies.

24. In Pakistan, the human development initiative led to completion of a summary report that was widely distributed in Pakistan to federal and provincial governments, the private sector, the NGO community and foreign missions. It has significantly influenced the thrust of the fifth country programme, the social action programme and a $700,000 human development umbrella project. In the Philippines, UNDP helped organize a network of development academicians, practitioners and professionals in both the public and private sectors, including NGOs, to form a core of human development advocates to promote the concept in various sectors and participate in the preparing of a national human development report.

25. Aid coordination. Round-table meetings were organized for Laos and Bhutan. The total cost of priority projects in Laos was estimated at $745 million. Against this, participating donor countries, multilateral financing agencies and United Nations organizations pledged approximately $600 million in concessional loans and grants for 1992 and beyond. The shortfall in resources for the sixth five-year plan of Bhutan was estimated at $370 million. Donor countries and multilateral agencies expressed strong support and willingness to help to finance the country's development schemes.

26. The Tumen River Area Development Programme in Northeast Asia is a comprehensive approach by China, the Democratic People's Republic of Korea, Mongolia, and the Republic of Korea, and Russia to coordinate development of resources in their border areas. UNDP provided assistance to their efforts, not only in articulating common objectives and interests, but in facilitating contacts with, and coordinating the inputs of, actual and potential donors and investors.

27. In June, UNDP co-chaired the Ministerial Conference on the Rehabilitation and Reconstruction of Cambodia, held in Tokyo and played a leading role in preparing a background document jointly with the Asian Development Bank (AsDB), the International Monetary Fund (IMF) and the World Bank. The ministerial-level conference resulted in donor pledges of $880 million through 1993 and constituted the International Committee on Reconstruction of Cambodia, with UNDP designated as its secretariat.

28. In Afghanistan, UNDP initiated a multisectoral rehabilitation strategy exercise to identify immediate and medium-term needs and draw up a comprehensive rehabilitation and reconstruction programme.

29. In an attempt to break the impasse in the Interim Mekong Committee that arose in February, UNDP initiated informal discussions with the four concerned riparian countries (Cambodia, Laos, Thailand and Viet Nam). This led to donor consultations in December, organized and chaired by UNDP; it was agreed to form

a working group under UNDP auspices to develop a future Mekong cooperation framework.

30. Inter-agency coordination. The Joint Consultative Group on Policy (JCGP) agencies introduced formal coordination mechanisms and undertook joint actions in many countries of the region. In China, UNDP organized the United Nations Interagency Working Group on Poverty Issues with 11 agencies participating. In Indonesia, United Nations specialized agencies formed the Inter-Agency Coordination Committee. In the Democratic People's Republic of Korea, an integrated rural health programme was formulated by JCGP partners and the World Health Organization (WHO).

31. Economic reform and management development. This largely took the form of support for management reforms and structural changes in transitional economies. In China, a major programme of reform of large state-owned enterprises was being designed to lead to greater autonomy of enterprises. In the Democratic People's Republic of Korea, the focus was on diversification of international trade; cooperation with new economic partners, and improvement of productivity through modern management methods. In Viet Nam, UNDP played a central role in assisting the Government to implement economic policy reforms. In the Mongolian donor consultations, UNDP was requested to take the lead in the identification of priority needs for technical cooperation in management development.

32. Resources. In the fifth cycle, IPF resources for the Asia and Pacific region amounted to $1.5 billion. Cost-sharing contributions by recipient countries and third parties, SPR and SMF/LDC collectively were expected to provide another $200 million. Some 200 new projects and programmes were approved; the total IPF and cost-sharing funds committed amounted to approximately $140 million. The total programme expenditure for the region in 1992 was estimated at $260 million. With increasing adoption of the programme approach, the total number of approvals was understandably lower than in 1991.

33. National execution. Over 105 nationally executed projects valued at $84 million were approved, representing 19.3 per cent of all approved projects and programmes. China and India were the leading countries in national execution. The former had 52 per cent of all approved budgets nationally executed and some 85 per cent of new programmes and projects approved. In India, one third of the projects approved, valued at $78 million, were nationally executed. Training of Government staff in the operational and financial management of nationally executed projects and programmes continued. Special attention was paid to helping Governments discharge their accounting and audit responsibilities on national execution.

34. Poverty alleviation. In line with the action plan adopted in 1991, there were renewed efforts to emphasize this in country and inter-country programmes for the fifth cycle. For example, in Indonesia it was agreed to focus remaining resources of the fourth country programme on poverty alleviation and sustainable development. In Cambodia, UNDP, with the active support of bilateral and multilateral donors, approved several new projects with poverty and human development concerns as their core objectives. In Nepal, UNDP and the Planning Commission agreed to develop a poverty alleviation programme. In Pakistan, support from UNDP, the United Nations Children's Fund (UNICEF) and the World Bank to a national rural water supply and sanitation programme contributed to a

national strategic investment plan for this sector, which includes devolution to community and local governments; UNDP also provided support to the Ministry of Women's Development to strengthen its capacity to assess, formulate, monitor and evaluate projects aimed at improving the social and economic status of women. In China, the poverty-focused Programme of Agricultural Development in Semi-arid and Arid Areas in Northwest China was approved with $9 million from IPF resources and $8 million from Government funds covering five of the poorest provinces and autonomous regions and some of the most drought-stricken and environmentally damaged areas in China.

35. HIV/AIDS. In recognition of the fact that the poorest segments of society are affected disproportionately, 14 country-level workshops and a number of intercountry workshops and seminars on such matters as the social and economic implications of HIV/AIDS, the creation of partnerships between NGOs and the private sector, and legal and ethical issues were initiated and supported financially and technically through the regional project "Development Implications of HIV/AIDS in Asia and the Pacific." The regional project also co-sponsored the Second International Congress on AIDS in Asia and the Pacific, in New Delhi in November.

36. Sustainable development and mainstreaming environmental issues. UNDP placed emphasis on this in country and intercountry programmes. A regional sustainable development initiative project was started with a regional IPF commitment of $837,000, initially covering six countries, to help determine the institutional, regulatory and human resources requirements for operationalizing Agenda 21 and for identifying proposals for Capacity 21. This project was complementary to Capacity 21, under which initial proposals from a dozen countries and subregions were reviewed for support. Work also commenced on nine national and two subregional Sustainable Development Networks (SDNs) - in the South Pacific and Indo-China - to facilitate the exchange of information in support of environmentally sound national development activities. SDNs became operational in Pakistan, the Philippines and the South Pacific. Seven in-country and one regional training workshops were held for government and UNDP staff in the region on the systematic application of the Environmental Management Guidelines as a tool for determining environmental impact and for mainstreaming environmental concerns. The regional GEF portfolio of approximately $94 million, managed by UNDP, helped to meet obligations under the two conventions on climate change and biodiversity, and included for example, national biodiversity proposals and an ongoing large-scale regional project ($9.5 million) on the development of a least-cost greenhouse gas emissions plan in Asia. Ozone-layer depletion was addressed under the Montreal Protocol, with projects worth $2.9 million programmed and implemented in five countries. A major element of support to the national, regional and global sustainable development efforts in the region was the collaboration with NGOs on the design, development and implementation of seven GEF projects. In addition, under the pilot phase of the GEF/small grants window, an NGO-led and implemented programme was set up in five countries. These country-specific efforts were complemented by the regional Asia-Pacific 2000 programme, which provided direct support to NGOs and country-based organizations (CBOs) in managing urban environmental programmes.

C. Arab States

37. Year of transition. The year 1992 was an important one for many Arab countries as they moved to rehabilitate their economies after the Gulf War; to accelerate the trend towards civil reform and more open-market economies, and to introduce greater pluralism in their societies. Half took steps towards greater pluralism - a remarkable trend and complex process in which UNDP was, in some instances, asked to assist. For example, in Djibouti, on behalf of the Secretary-General, UNDP served as the United Nations observer for the recent national referendum while in Egypt, UNDP helped to establish a database for the Parliament on all legislative matters.

38. Country programmes. Six fifth cycle programmes were approved and four finalized. Unlike the fourth cycle, where most country programmes supported sectoral priorities, there is a clear trend in the fifth cycle programmes towards supporting multisectoral, upstream policy areas such as economic management, civil service reform and people-centred sustainable development. The three main areas of concentration were: policy, planning and civil service reform; human resource development; and environment and natural resources. The fifth cycle country programme for Lebanon was an example of this evolving approach, providing critical support to economic management, civil service reform, social reconstruction and balanced sustainable development. In Yemen, UNDP assisted in examining various policy alternatives and in its dialogue with donor partners about the future course of the country's development. UNDP helped to prepare policy positions, with particular emphasis on human development, and initiated a process of consultation with its major partners in the framework of a round-table meeting in June. This dialogue is now being sustained on a sectoral basis.

39. Economic reform, the transition to more open economies, and the human dimension of economic adjustment. In countries such as Lebanon and Egypt, UNDP closely coordinated with the Governments and the World Bank in their Consultative Group meetings, and assessed technical cooperation requirements with special attention to the needs of the poorest. In Algeria, to encourage further direct foreign investment, UNDP assisted the Government in the review of its investment policy and in the identification of areas where further legal restrictions and procedural constraints could be curtailed, helped to assess progress in economic reform programme, and advised on further technical cooperation requirements. In Tunisia, UNDP technical cooperation helped to design a systematic anti-poverty strategy for about 100,000 families, and with the World Bank, assisted the Tunisian Government in the development of mechanisms to restructure the industrial sector for the purpose of privatization and greater efficiency in public enterprises. UNDP assistance in Egypt was focused on developing three major programming initiatives around the theme of building the national capacity required to implement the national economic reform and structural adjustment programme and ensure an effective economic transition, including capacity-building for economic policy formulation, reform of the public enterprise sector, and the Technical Secretariat of the Social Fund for Development to programme the approximately $600 million that donors pledged to the Fund. UNDP assisted Jordan in the development of its technical and data analysis, development planning and policy analysis.

40. Emergency in Somalia. This continued to tax the international community as Somalia faced the combination of the collapse of civil society, political and military disorder, and extreme famine. UNDP sought meaningful approaches to promote recovery and rehabilitate the country but faced considerable difficulties as, by any standards, there was no improvement in the security situation in large parts of Somalia. Nevertheless, UNDP established its presence in Mogadishu and Hargeisa and supported the United Nations presence by providing direct staffing and logistical support to the Special Representative of the Secretary-General in Somalia. Other activities included managing and providing air transport for the United Nations community and NGOs; rehabilitating and managing the water supply system in Mogadishu; financing missions which identified needs of the displaced in the agricultural and livestock sectors; and participating in projects in civil aviation and de-mining. At the end of 1992, the Somalia Rehabilitation Project (SOH/92/001) showed activities aimed at restoring basic conditions for human development in the country. It will operate at the community level wherever the security situation permits rehabilitation activities.

41. Relief efforts in the Sudan. The Resident Representative continues to serve as Special Representative of the Secretary-General for relief operations in Sudan. He is supported by an emergency coordination unit funded and managed by UNDP. The Special United Nations Drought Operation for the Sudan (SUNDOS) provided close to one million rural inhabitants facing major drought conditions with food for community-based work activities. To ensure rapid deployment, existing United Nations rural programmes and community-based NGOs were employed.

42. Humanitarian initiatives for Iraq. While development activities remained suspended in Iraq, a number of activities were approved and implemented with the concurrence of the Security Council's Sanctions Committee. Under a regional project for the eradication of rinderpest, $400,000 was allocated for vaccination campaigns in the northern part of the country; assistance was provided to help make operational a rehabilitation project for the handicapped; and logistical and administrative support was provided to United Nations humanitarian activities.

43. Net contributor status. In line with Governing Council decision 91/29 of 25 June 1991, and as follow-up to the high-level mission of 1991, there was a marked increase in requests for UNDP assistance to support multisectoral policy-level activities such as planning and civil service reform. In Kuwait, UNDP assisted in planning reform of the civil service, with particular emphasis on greater use of Kuwaiti indigenous skills and the private sector. A similar exercise was initiated in Qatar. In Saudi Arabia, where the fifth cycle country programme for $88 million was approved, UNDP helped train 2,700 Saudis in the civil aviation sector and assisted in establishing two telecommunications institutes that are now being upgraded to colleges. In Qatar, UNDP assisted in a study of how best to replenish the aquifer and provide adequate water resources. In United Arab Emirates, UNDP helped to establish the Central Forecasting Office for Meteorological Services, which will provide meteorology services for aviation, marine and general public use.

44. Strategy for the fifth cycle. Resident Representatives in the region met to assess progress and it was agreed to decentralize programme activities further and to strengthen field offices; to draw up specific subregional

strategies for clusters of similar countries; to emphasize resource mobilization and coordination efforts; and to increase the promotion of networking and regional linkages.

45. Regional programme for Arab States. The fourth cycle programme was extended for another year with the objective of intensifying consultations with constituents and partners on recent transformations in the region, assessing their impact on intercountry cooperation and economic integration efforts, and preparing an overall framework for the fifth cycle programme, including a funding strategy that would alleviate the sharp reduction of regional programme IPF resources. Innovative features in the current regional programme were further refined to ensure higher programme effectiveness and sustainability. These included consolidation of the concept of networking with transfer of project responsibilities to the field (through national execution and use of local skills and expertise) to foster governments' sense of ownership of the programme and to ensure long-term sustainability and links between country and regional programmes. After three years of operation, phase II of the Control of Bayoud Disease of the Date Palm project (Algeria, Morocco and Tunisia), which will end in December 1993, put in place regional capacities in research, bayoud control, selection and hybridation of date palm. Over 150 staff from the participating countries received training, within the framework of the Mediterranean Environmental Technical Assistance Programme, which brings together major donors (UNDP, the World Bank, the European Investment Bank and the European Community) for the promotion of environmental action in the Mediterranean region. Significant progress was made in institutional development. Three networks were fully operational (Mediterranean Coastal Cities Network (MEDCITIES); Mediterranean National Agencies Network (MEDNEA); and Mediterranean Protected Areas Network (MEDPAN)) and were gradually becoming effective instruments of regional cooperation.

46. A subregional approach in programmes designed to assist countries to address common development needs was strengthened and support to the economic integration process was provided by subregional groupings (such as the Arab Maghreb Union).

47. Intergovernmental organizations that are expected to play a key role in the enhancement of regional cooperation were actively supported. The newly created Centre for Environment and Development in the Arab Region and Europe (CEDARE), which is supported by the Arab Fund for Economic and Social Development (AFESD) and the Regional Bureau for Arab States, started with the objective of strengthening institutional capacities in environment and in the management of natural resources and thereby playing a primary role in the follow up to the United Nations Conference on Environment and Development (UNCED). The seminar on energy policies and management in the Arab countries, held in Cairo, aided in the design of a regional technical cooperation programme for the fifth cycle.

D. Europe and the Commonwealth of Independent States

48. Innovative unitary field offices. By the end of the year, six unitary field offices were in operation, with integrated representation, following the formula of the Secretary-General. Four were headed by a United Nations Representative, who was also the UNDP Resident Representative, the other two by field staff from the United Nations Information Centre, supported by a Deputy United Nations Representative, who was also the UNDP Resident Representative. A new office was also opened in Bulgaria at the request of the Government to manage UNDP programmes there.

49. System of communications. Work began with donor contributions on a wide area network (WAN), with satellite transmissions and receiving stations in 11 countries, for the instantaneous transmission of data to countries with little or no access to outside information.

50. Volunteer services in support of transition. This innovative programme brought together several UNDP initiatives for the mobilization of volunteer services to provide inputs from private sector enterprises abroad. It drew upon the United Nations Short-term Advisory Resources (UNISTAR), which taps private sector capabilities, the Transfer of Knowledge through Expatriate Nationals (TOKTEN) modality, and the United Nations Volunteers (UNV). In Poland, through the provision of more than 100 consultants, the programme offered a cost-effective way to tap into these various modalities of assistance to benefit central government ministries and offices, private and public enterprises and training institutions and local governments.

51. With the help of TOKTEN, assistance was also given to Poland to establish a United Nations compensation fund office to deal with financial and property losses by Polish enterprises and individuals, estimated at $3.1 billion, as a result of the Gulf war.

52. Privatization. Institutions involved in the implementation of national privatization strategies benefited from each other's experience through workshops and external expert advice, provided through a UNDP regional privatization network. In Romania, where the privatization process is central to the country's transition process, UNDP assisted the Government in building up the capacity of the national agency for privatization through a UNDP-funded centre to guide potential small-scale entrepreneurs and counsel them during the start-up phase of their business.

53. "Turn-around management". A regional programme based on the dispatch to enterprises in the region of turn-around teams taken from corporate leaders in the business communities in countries outside of the region was prepared. The teams will be on call for repeated visits over a two-year period to resolve senior management problems in the enterprises benefiting from this programme. The programme will also assist in management capacity-building and is expected to promote national management consultants' skills in order that the public and private institutions assisted can survive and prosper in a competitive society.

54. Electoral process. The Government of Albania requested a UNDP team to assist in finalizing electoral procedures and in organizing the participation of other international organizations and international observers. After the

election, UNDP reviewed the whole operation, covering administrative, organizational and logistical aspects and recommended the consolidation of institutions involved in the electoral process.

55. Transition process. UNDP sought to make use of the experience Poland had gained - two years more than in other countries of the region - with a market economy to co-sponsor a workshop with the Government of Poland for the Commonwealth of Independent States and the Baltic States on technical cooperation in support of the transition process. This workshop was organized for Government officials directly concerned with the transition process. Prototype projects were developed to build the capacity of national institutions responsible for coordinating and managing foreign aid and providing support services to the United Nations and other multilateral and bilateral programmes of assistance to the recipient countries within this framework.

56. Human development. With UNDP support, a first national conference was organized in September in Turkey on human development.

57. Cooperative efforts with other agencies. UNDP cooperated with the European Community in the preparation of studies and documentation for a high-level meeting between the G-24 countries and Albania, held in Tirana, to provide officials with an opportunity to see the serious economic and social problems facing Albania. This new cooperation with the European Community provided an opportunity to determine the most effective use of G-24 support for restructuring Albania's economy and resulted in commitments of $900 million, largely for food and humanitarian aid on an emergency basis. The European Community channelled $1 million in humanitarian assistance to Albania through UNDP. Several projects involving "critical imports" to ensure the restart of economic activities in the main production sectors were assisted, with the highest priority given to agriculture, energy, transport and industry. There was also close cooperation with the European Community in the field of environment, particularly as regards activities in the Danube river basin and the Black Sea area, as noted below. The UNDP office in Ankara cooperated with the United Nations Department of Humanitarian Affairs to assist the population of Northern Iraq by carrying out humanitarian assistance and by holding a disaster management and preparedness country training course in June. To assist Turkey in dealing with the disaster and emergency situations which had occurred, e.g., the Gulf crisis and the Erzincan Earthquake, national capacity-building projects were quickly formulated and approved under SPR. Negotiations were initiated for greater cooperation with the European Bank for Reconstruction and Development (EBRD) by having it designated as an executing agency for UNDP. Two GEF-funded projects were developed by UNDP: (a) "Environmental Management of the Danube River Basin", which will enhance institutional capabilities in riparian countries of the Danube and the Danube basin, thus opening opportunities for investment in environmentally sustainable operations in the Danube river basin; and (b) "Environmental Management and Protection of the Black Sea", a UNDP-led GEF project which will enable riparian countries of the Black Sea and the Sea of Azov to develop a comprehensive strategy for effective and environmentally sound management of that body of water. Similar to the Danube river programme, UNDP activities will focus on institutional capacity-building and pre-investment to address environmental degradation of the Black Sea.

E. Latin America and the Caribbean

58. New impetus towards peace, democracy and human development. A series of events made a significant contribution to peace and freedom in the region, i.e., the move from armed conflict to negotiated peace in El Salvador; new constitutions in Paraguay and in Colombia; the application of the rule of law in Brazil, and the negotiations on external debt in Argentina, Brazil, Costa Rica and Mexico while maintaining adjustment programmes at home, all represented a strong tendency for groups to solve their differences through dialogue rather than arms. It was no accident that Latin American and Caribbean Governments spent less on arms than did Governments of any other region. Sustaining peace and democracy in Latin America and the Caribbean was shown to be primarily a function of the capacity of Governments to devise policies which were more economically robust and politically inclusive. As Governments widened the process of consultation with their electorates and consolidated the process of change begun last year, privatization initiatives were maintained and market forces continued to supplant the public sector in the growing economies.

59. Human development. UNDP began to participate actively with other institutions such as the Inter-American Development Bank (IDB), in supporting programmes that strengthen the public, private and social sectors in the promotion of democracy. Since the concepts of democracy and human development go hand in hand, the advancement of governance was being achieved through public sector reform, decentralization efforts and by fostering private sector participation in the support of human development. In other words, the more UNDP promoted the sharing of political power, the more it contributed to distributing the economic gains and benefits of peace. UNDP advocated the human development concept through policy-setting summit meetings such as that with the five Presidents of Central America, the President of Panama and the Prime Minister of Belize, where national plans with specific targets in the social areas were approved. Towards the end of 1992, IDB and UNDP co-sponsored a meeting in Chile where policymakers, entrepreneurs and civilian leaders from Latin America, the Caribbean and North America exchanged experiences and hopes on governance and human development in the hemisphere. Human rights initiatives were also supported in connection with the peace processes and administration of justice in Central America, Colombia, Paraguay and Venezuela. The work in support of democratic institutions helped achieve sustainable development and in this context, contributed to the substantial improvement of the electoral process in Guyana; efforts were continued to have Haiti return to democracy; and support was provided for the United Nations in promoting democratic dialogue in El Salvador, as was done in Nicaragua.

60. Country and regional level activities continued to address the areas of focus in Governing Council decision 90/34. Regarding human development and governance, a significant presence was maintained in the establishment of decentralized political and administrative models for public management systems, the promotion of human rights through awareness-building and institutional-strengthening as well as the modernization of the State. This latter effort assisted in implementing and coordinating a wide-ranging public sector modernization programme in El Salvador and specific reform initiatives on ports, the electric sector, the telephone service and the water and sewage system in Panama. To qualify for a joint World Bank/IDB loan of $100 million, a large cost-shared project was being implemented in Paraguay for the reform of the

financial sector and the regulation of the supervisory role of the central bank. The Dominican Republic used part of a $29 million IDB loan to manage and develop primary education as part of the Government's overall education strategy.

61. Public sector reform efforts in Argentina were concentrated at the provincial level as decentralization policies took hold and municipal institutions were down-scaled. Following the emergency period in Peru, the flow of technical cooperation and financial resources from bilateral and multilateral donors gradually resumed and UNDP continued to address the areas of structural reform, privatization and social development.

62. The Caribbean Community Governments, with support from UNDP, completed a detailed analysis of conditions in the subregion and adopted several strategies to strengthen democracy and increase public participation so as to improve the human condition. Also, decisions were taken for the collective formulation of a charter for civil society, which would set standards for morality in public affairs, a fair and open democratic process, a free press, respect for religious diversity and the rights of women and children.

63. UNDP continued support to the Latin American Centre of Administration for Development. Social leaders and others from the region agreed to produce a book on governance and human development in Latin America and the Caribbean and a project proposal was put forward to make human development operational through an analysis of themes such as the ability to sustain economic adjustment policies while implementing political reforms, the impact of income distribution differentials on economic development and political participation, and the contribution of the informal economy to human development and governance in the region.

64. Poverty alleviation. Efforts to reduce poverty are basic to governance and social peace and numerous fifth cycle country programmes addressed the plight of the poor. The social emergency funds established in Bolivia and Central America under the agreements with the World Bank and IDB continued to operate successfully. With the poverty theme and more general social issues in mind, UNDP and IDB started to prepare a strategy for social reform and poverty based on the recovery of economic growth and satisfaction of basic human needs at the poorest levels of the community.

65. The social investment programmes that evolved from Bolivia's successful social emergency funds addressed the improvement of basic education and of the population's health standards, initiatives which were replicated in several other countries with the support of IBRD and IDB. Chile put in place a regional development facility, PADERE, in each of the country's 12 regions. This programme, supported by UNDP had an important poverty alleviation component. A new UNDP initiative in Peru helped establish a National Fund for Social Compensation and Development, which provided direct financial support to communities for employment generation and basic infrastructure. In October, Mexico hosted a preparatory meeting for an international conference on poverty to be held in 1993 to raise awareness and exchange experiences of Governments and international institutions on social development and poverty alleviation.

66. Following the Presidential Summit Meeting in Central America last year, in November, countries in the subregion with the support of the human development

project and the UNDP/IBRD rural development project, held a seminar on methodology for formulating and managing poverty alleviation projects.

67. Coordinating technical cooperation. The importance of external resource flows was increasingly recognized and an interesting new slant was given to the national technical cooperation assessment and programmes (NATCAP) exercise when the Government of Guatemala decided to use UNDP aid coordination as a means to promote the concurrent national peace plan. The Government of Bolivia adopted three resolutions which profoundly affected the role of UNDP in the country. All external technical cooperation for 1992-1996 was encompassed in the national technical cooperation programme; the country programme was endorsed by Presidential Decree covering five concentration areas through 34 priority programmes and UNDP was given the priority role in technical cooperation, with the programme approach being adopted as the guiding methodology.

68. Scientific and technological development and modernization of the productive sector. UNDP cooperation was sought by several countries in the region to improve competitiveness in international markets. In October, Brazil processed and began to implement a $28 million cost-shared project for the coordination of research and the promotion of informatics exports, which is expected to result in changing the focus of the computer industry from hardware to software production. Chile was implementing an ambitious cost-shared project to integrate the research capacity and knowledge available in government, the private sector and universities.

69. Environmental activities. Assistance was given to Governments in preparing for UNCED and its follow-up, including the preparation of national reports, the location of environmental focal points in the field offices, and the processing of GEF projects. A report was prepared on funding options for environmental programmes in the region; the joint UNDP/IDB publication "Our Own Agenda" was presented to a meeting of NGOs in Mexico, and the report "Amazonia without Myths" was launched in Washington in April to promote a regional understanding that would contribute to keep the Amazonia for posterity. Following UNCED, UNDP designed a regional strategy on development and environment, including an interpretation of Agenda 21 for the region, a post-UNCED meeting to establish a think tank on the implementation of the UNCED agreements, and a report entitled "Planning Our Own Agenda", which describes existing institutional capacities in the region and proposes future improvements. Two new GEF projects were approved and a third IPF project for Brazil was revised, producing additional IPF and cost-sharing funds for the continued strengthening of the capacity of Governments for environmental management and the design of policy guidelines for additional sectors. The first of the new projects provides support to the Peruvian Centre for Energy Conservation in environmental impact monitoring and control of industrial and transport emissions, application of energy-saving measures and strengthening of technical and training capabilities. The second will demonstrate the commercial feasibility of using biomass as a feedstock for power generation in Brazil through the application of biomass integrated gasification/gas turbine (BIG/GT) technology and will study the suitability of this process for developing countries.

70. A regional initiative straddled environment and integration by assisting the five countries bordering on the Paraná and Paraguay rivers to rehabilitate the waterway for increased traffic and gauge the environmental impact of such

rehabilitation. UNDP and IDB were called upon to prepare pre-investment studies for the short- and long-term rehabilitation requirements, including assistance to the intergovernmental committee for the waterway in supervising and coordinating the studies, establishing an environmental management strategy and strengthening the committee so that it may plan the development of the waterway as an instrument of regional integration.

F. Global and interregional programmes

71. The Division for Global and Interregional Programmes (DGIP) fosters international cooperation for development and facilitates access to advanced scientific knowledge. The global programme supports high-level research on food production and health to produce technologies applicable around the world, and the interregional programme promotes sharing of knowledge on issues critical to development, such as management, debt, trade, energy, water and sanitation, HIV and development and electoral administration.

72. Research. At its thirty-ninth session, the Governing Council approved expenditures of $62.7 million for eight key projects in health and environmentally sustainable food production. This was the largest amount ever approved for the global programme in a single year and represented a commitment of 54 per cent of its allocated funds in the fifth cycle. Research to reduce the use of, and need for, chemical pesticides for crop production was funded. The use of tools of modern biotechnology in plant improvement programmes was promoted to create improved high-yielding crop varieties with built-in genetic resistance to diseases and insect pests for maize, potatoes and rice, and to develop integrated pest management systems for cassava. Large-scale pilot tests were scheduled in Ghana, Indonesia and the United Republic of Tanzania on delivering deworming drugs and micronutrients through primary school systems to reach 50,000 to 100,000 children in each country to fight against intestinal parasitic diseases. The testing is being done in cooperation with the World Health Organization (WHO), UNICEF and the Rockefeller Foundation. The Children's Vaccine Initiative, launched as a follow-on to the World Summit for Children, adopted a global strategy to improve and develop new vaccines. The long-term goal of the initiative is to develop a single combination of vaccines to be administered shortly after birth which would protect against a broad spectrum of childhood diseases. The Tropical Disease Research and Training Programme, co-sponsored by UNDP, WHO and the World Bank, announced large-scale trials of a new drug treatment for leprosy, a disease that affects more than five million people, most of whom live in low-income countries.

73. Electoral assistance. General Assembly resolution 46/137 on enhancing the effectiveness of the principle of periodic and genuine elections encouraged UNDP and other United Nations organizations to focus more attention on electoral assistance. Between October 1991 and September 1992, the United Nations received 31 requests, about two thirds of which were for first-time elections in Africa. Working with the United Nations Electoral Assistance Unit and the Regional Bureaux, UNDP prepared the publication "Guidelines on Special Arrangements for Electoral Assistance". It also established an electoral assistance trust fund, advanced funding for seven urgent needs assessment missions, co-funded the first conference on the coordination of international assistance in the electoral field, funded a training course for United Nations

officials and initiated action on possible networks of electoral administrations in Africa.

74. Environment activities. Following on UNCED and considering the special mandate of UNDP for capacity-building, DGIP made solid progress in establishing a Sustainable Development Network (SDN) to link sources and users of information on sustainable development in government, research, NGOs, and grass-roots and entrepreneurial organizations on a global scale. SDNs are designed as user-friendly, low-cost, demand-driven databases to link countries to a global system and link practitioners of sustainable development with one another. UNDP provided support for SDN staff, training, hardware and software. The initial $1.5 million allocation for the pilot programme until the end of June 1993 was committed to start-up activities for 32 national and three regional SDNs. DGIP also helped set up a steering committee to guide its $700,000 Integrated Coastal Fisheries Management project, including representatives of UNDP, the Food and Agriculture Organization of the United Nations (FAO), the United Nations, the International Center for Living Aquatic Research Management (ICLARM), the United Nations Environment Programme (UNEP) and the World Bank. The Danish International Development Agency (DANIDA) and the Swedish International Development Agency (SIDA), both of which have large fishery management programmes of their own, were also invited to join. The project was designed to set up a typology for coastal area management, launch several pilot projects and share information among developing countries and donors.

75. The HIV and Development Programme. At the beginning of 1992, UNDP established this programme to strengthen its efforts to increase global awareness of the threat the epidemic poses to development. It is helping to expand the capacity of communities and nations to address the human, social and economic dimensions of the epidemic. A memorandum of understanding for implementing the WHO/UNDP Alliance to Combat AIDS was agreed to, with a pledge to develop jointly a policy framework for multisectoral approaches to the epidemic and for strategic planning to help countries develop and adopt effective policies and strategies. The programme is actively involving communities, academic institutions, NGOs, Governments and the United Nations system in identifying and disseminating effective interventions for responses to the multisectoral dimensions of the epidemic. In cooperation with the library at the School of Public Health of Columbia University, the programme initiated the HIVDEV database. UNDP also participated in an inter-agency group that drew up a comprehensive United Nations HIV/AIDS personnel policy, incorporating human and ethical issues and ensuring respect for rights of all people.

76. Macroeconomic management. UNDP and the IMF Institute initiated a joint programme for the training of middle-level managers in the basic skills required to deal with the transition from centrally planned to more open, market economies. This programme has in turn attracted support from the Governments of Japan and Portugal and from the European Community. DGIP was also instrumental in launching a major new programme designed to strengthen the capacity of developing countries to improve the management of their external assets and liabilities. This programme has a number of innovative features, including the fact that for the first time two major providers of technical cooperation in this field - i.e., the United Nations Conference on Trade and Development (UNCTAD) and the World Bank - agreed to pool their assistance. In addition, the programme is helping to nurture a number of important initiatives at the

subregional level including, for example, an effort by the anglophone countries of East and Southern Africa to create their own pool of advisory services which would be attached to the Reserve Bank of Zimbabwe. Other subregional initiatives are in the process of being formulated for Central America and for Eastern Europe and the Commonwealth of Independent States. Similarly, and bearing in mind the important role which services are playing in many developing countries, DGIP joined forces with the United Nations and the World Bank to initiate a pilot project on the Expansion of Foreign Direct Investment and Trade in Services.

77. Water and sanitation. The UNDP/World Bank programme established a new strategy for the remainder of the decade to include capacity-building support for sustainable investments and dissemination of lessons learned. For example, in Kumasi, Ghana's second largest city, and in cooperation with metropolitan authorities, potential users were asked what they needed, and how much, if anything, they would pay for sanitation. Out of the pilot experience, a new strategic sanitation plan to replace four previous high-cost master plans was developed, based primarily on demand-driven, privately provided services. The approach will be further tested in other countries of the developing world.

78. Privatization. The DGIP Interregional Network published a second book of country case-studies and convened a group of experts to explore the constraints and impacts of privatization. It also held country workshops in Hungary, Myanmar and Uganda and issued supplementary guidelines on the privatization of trade organizations. Poland, where one of the first national workshops was held in 1990, was on a reasonably successful course of privatization.

79. Urban management programme. Building on lessons learned during its initial stage of research and development, from 1986 to 1991, developing countries were assisted to address problems in five major areas. The joint United Nations Centre for Human Settlements (UNCHS)/UNDP/World Bank programme concentrated on municipal finance and administration, infrastructure, land management, urban environment and poverty reduction. A decentralized programme implementation system revolving around coordinators located in Africa, Arab States, Asia and Latin America assisted in city and country consultations.

80. Basic education. DGIP commissioned case-studies in China, Guinea, India and Mexico to probe the factors underlying the quality of education in poor and wealthy neighbourhoods in urban and rural areas. DGIP also commissioned the International Institute for Educational Planning to do two studies on learning-to-read methodology for primary school programmes and adult literacy classes.

81. Programme of assistance to the Palestinian People. Against the background of quickened and more extensive efforts towards peace in the Middle East region, this programme achieved a level of activity for 1992 unmatched in its 12-year history. Expenditures totalled $13 million. As the Palestinian inhabitants readied themselves for greater self-sufficiency and self-governance, the programme refocused its goals to meet emerging challenges in the West Bank and Gaza Strip. While the programme's long list of completed and ongoing projects involved virtually every broad sector of development assistance, the programme commenced several initiatives designed to foster increased cooperation and information-sharing among the donors. Especially noteworthy was the preparation

of a compendium of all assistance efforts in the occupied Palestinian territories, published by UNDP in April.

III. SPECIAL PROGRAMME RESOURCES

82. Special Programme Resources represent resources set aside by the Governing Council to finance specified types of programme activities during each programming cycle for purposes established by the Council. Specific details on each SPR category approved for the fifth programming cycle were given in document DP/1992/7. The Governing Council indicated its support for this type of programme expenditure by increasing the SPR allocation from $189.5 million in the fourth cycle to $313 million in the fifth cycle.

83. In the first year of the fifth cycle, $48 million, or 20 per cent of the SPR allocations for the fifth programming cycle, was committed. This conservative approval rate was in line with foreseen resource constraints. Moreover, the Governing Council decision on rules and criteria for SPR approvals was adopted only at its special session in February 1992. In the present report, expenditures among the 27 categories of SPR activities approved by the Council are grouped into six clusters, by type of activity.

84. Disaster mitigation. Compared with the fourth cycle, there was a significant shift in this category towards enhanced capacity-building for vulnerability reduction and disaster mitigation. Allocations focused on capacity-building for disaster preparedness and mitigation, needs assessments for the internally displaced, refugees and returnees and the provision of short-term support to resident coordinators to enhance the field-level coordination of emergency assistance provided by the United Nations system. During the first year of operation of the fifth cycle SPR, $2.72 million was approved for disaster preparedness, $1.7 million was approved for emergency phase activities, $1.6 million for rehabilitation and reconstruction, and $780,000 for activities connected with refugees and displaced persons. Programmes formulated consisted of a mixture of capacity-building of specialist national disaster-management institutions combined with a systematic involvement of planning and sectorally based institutions. The success of these types of activities hinged on a direct dialogue between development policy makers and disaster specialists at the country level. This dialogue made more evident the link between disaster and development and showed that vulnerability reduction is clearly linked to overall disaster mitigation programming.

85. Thematic activities. One of the principal objectives of the thematic activities is the mainstreaming of the six areas of focus of Governing Council decision 90/34. While it was still early in the fifth cycle to speak of a mainstreaming effect, those activities which were approved were consistent with this objective. For example, NGO participation in preparation for UNCED was stimulated, and an international conference on poverty alleviation in China was supported, focusing on participatory approaches to poverty-oriented development programming. Overall, the activities financed fostered a dialogue among community-based organizations, Governments, academic institutions and other relevant actors. For example, community-based approaches to environmental protection in urban areas were initiated. Management development projects were funded in the United Republic of Tanzania and Uruguay on public service reforms

and in Viet Nam on macroeconomic stabilization. Problems encountered in implementation were mostly of a logistical nature, common to the initial stages of any programme. This was especially true in areas where there was no prior experience in thematically focused programmed operations or where activities were being reoriented.

86. Other special and/or new activities. Since a large proportion of activities under this category were by definition new, it was premature to expect significant results after only one year of implementation. The major constraint encountered was related to the relatively small amounts that could be allocated in relation to the objectives the programmes were designed to attain. However, strategies were designed in the various subcategories to maximize the impact that could be achieved with the funds available. These ranged from resource mobilization for cost-sharing and parallel financing to extending the range of partners with which the programme collaborated, to financing strictly catalytic activities in policy development.

87. Aid coordination. Objectives under this category were to support efforts aimed at advancing more effective programming of resources and to assist in the preparation of donor meetings. Activities approved were consistent with these objectives, and contributed to country-level programming exercises in 19 countries. No significant constraints were encountered.

88. Programme development. The objective of this category was to strengthen UNDP capacity to develop and implement effective and qualitative assistance programmes. The three subcategories under this umbrella targeted development, evaluation, and new or innovative programme research. It was too early in the cycle for programme evaluation to have taken place, but development and research activities were under way. For example, a poverty alleviation framework was developed in Tunisia which will provide the basis for future IPF allocations. In addition, a number of initiatives were being financed to explore new areas and modalities for effective technical cooperation. This was being carried out in close cooperation with a wide range of partners. Support was given to a global study on aid accountability involving multilateral and bilateral aid agencies. At the same time, the programme development subcategory actively assisted UNDP field operations, for example in Papua New Guinea, in the formulation of programmes and projects.

IV. FUNDS ADMINISTERED BY THE UNITED NATIONS DEVELOPMENT PROGRAMME

A. United Nations Capital Development Fund (UNCDF)

89. An internal management review was conducted both at headquarters and in the field to analyse UNCDF programme development and delivery. Methods of consolidating experience into a consistent UNCDF-specific programme approach were explored, and a strategy based on area development is emerging although its implementation is constrained by a lack of resources. This strategy seeks to take advantage of trends towards democratization and decentralization by working directly with local organizations - Governments, community groups and NGOs - in order to intensify participatory activities at the grass-roots level aimed at reducing poverty and enhancing the quality of life. Programming initiatives were undertaken in Madagascar, Mali, Mauritania and Sao Tome to test the strategy.

90. With grass-roots level poverty reduction in the LDCs as its major thrust, UNCDF continued to incorporate the other dominant themes of the UNDP fifth cycle into its programming, particularly the environment and women in development. During 1992, over 50 per cent of UNCDF projects had women as specifically targeted beneficiaries. For example, water supply and sanitation projects in the Central African Republic, Equatorial Guinea and Guinea-Bissau significantly reduced the burden of water collection. Assisting women in income-generating activities was pursued in Bangladesh and in Uganda. With respect to the environment, UNCDF strengthened its in-house capacity for environmental impact assessment on the one hand and for recognizing opportunities to maximize conservation or restoration activities within the Fund's projects on the other. Under a trust fund provided by the Government of Norway, UNCDF-specific guidelines were drafted. Formal training for selected staff members took place during August, and an in-house training programme was scheduled for early 1993. Also during 1992, as part of the thematic review on participatory activities begun in 1991 on UNCDF experience in five African countries, a synthesis report was drafted which applies to ecologically sound development, a methodology geared to participatory programming. The approach, being tested in a newly approved $5.6 million project in Niger, also provided measures for introducing intensified agricultural techniques in order to release pressure from marginal lands, and through the creation of off-farm income-generating activities, seeks to divert urban migration towards intermediate population centres.

91. Evaluations of 17 UNCDF projects were made. A project in Maldives for improving health conditions had a particularly high impact on the health services delivered to the rural population. An unfavourable evaluation of a road project in Burundi provided an important lesson for UNCDF programming as a whole. Without related productive interventions, the improved road had only marginal impact, arguing persuasively for UNCDF to maintain an area-based approach. As in previous years, the results of these evaluations were disseminated and lessons learned incorporated into new UNCDF programming. To expand upon this feedback mechanism, a computerized project monitoring and evaluation system (PMES) was being developed to provide on-line access to evaluation results.

92. In spite of calls from the international community for increased contributions to UNCDF as the sole source of small-scale grant capital

assistance in the United Nations system to LDCs, pledges dropped marginally in 1992 to $39.6 million. This decrease, combined with high levels of new project approvals over the previous four years, which are factored into the partial funding formula, forced a reduction in new approvals for 1992 to only $56.3 million. To offset this dramatic drop in programmable resources, UNCDF intensified efforts to attract co-financing. During 1992, a $3.1 million agreement was signed by the Government of Germany for a project in Guinea. Early in 1993, the Netherlands was expected to sign an agreement for $7 million for a project in Bangladesh. However, co-financing cannot substitute for core financing since the latter is essential for effective planning and programming.

B. United Nations Sudano-Sahalian Office (UNSO)

93. UNSO promoted sustainable economic and human development in 22 countries of the Sudano-Sahelian region through assistance to natural resources management activities at both government and community levels. A major challenge to sustainable development in these drylands was drought and desertification. UNCED and the decisions set out in Agenda 21 together with the programmes being devised for their implementation were key to the region. Ongoing UNSO activities were particularly relevant to this new frame of reference, especially the emphasis given to ensuring adequate institutional capacity for natural resources management and monitoring. In 1992, UNSO worked with 17 countries to enhance their national capacities in environment-related planning and coordination, at average costs of $200,000-$400,000 per intervention over a one- to two-year period. The new Joint Regional Programme Facility, launched with UNDP, the World Bank and the African Development Bank (AfDB), will also reinforce capacities for integrating the environmental dimension into all aspects of development planning.

94. Over 130 UNSO projects and programmes concentrate on the integrated management of village lands, pastoral systems and rangelands. Fourteen new field projects were approved for eight countries during 1992, in land protection and desertification control, agro-pastoral development, and environmental information and education. Assistance to each of these projects ranges from $15,000 to about $3 million, reflecting the flexible approach of UNSO in targeting different groups. New initiatives in drought preparedness and relief, and alternative livelihood systems were being formulated, in accordance with the programme areas defined in Agenda 21.

95. UNSO played an active role in the preparations for UNCED, supporting Sudano-Sahelian country participation at the final preparatory committee session and at the Earth Summit, and contributing substantially to position papers on African issues and the development of programme areas on drought and desertification. In the latter part of 1992, attention turned to supporting African countries in the preliminary negotiation process for the convention on desertification. A consultative meeting organized with the Organization of African Unity (OAU), in Addis Ababa in October, began the process of defining a common position for the negotiations.

96. UNSO information and sensitization activities complemented the work programme, including two technical publications and a film based on successful land rehabilitation projects; substantial UNCED background reports and

information notes; a video on UNSO activities and the first of a series of short videos on UNSO-supported projects.

97. UNSO mounted a new resource mobilization campaign and investigated using other financial mechanisms. The first anti-desertification projects to be accepted by GEF, two projects combining anti-desertification and carbon sequestration, valued at about $5 million, were approved for funding at the GEF Participants Assembly in December.

C. United Nations Volunteers (UNV)

98. UNV continued to devote much of its efforts to supporting development cooperation by providing skilled volunteer-specialists to government institutions and United Nations specialized agencies and NGOs. By the end of the year, UNV specialists and Domestic Development Service (DDS) field workers were serving in 118 countries, including some in Eastern Europe. The main areas of intervention were agriculture, forestry and fisheries; health; education; general development issues, policy and planning; social conditions, equity and youth; humanitarian aid and relief; national resources and energy; and human settlements and infrastructure. In addition to providing technical skills, the UNV specialists provided on-the-job training to nationals of recipient countries to ensure continuity of the services they were providing at the expiration of their contracts, thus contributing to the capacity-building concept.

99. Support to community-based initiatives through collaboration with local NGOs and community-based organizations was expanded and strengthened. Furthermore, initiatives in the areas of community-level environmental activities such as water and sanitation, solid waste, and women's enterprise groups were developed by UNV. In Guatemala, for example, a community-based programme was developed in the context of the resettlement of displaced persons, using a holistic approach at national, municipal and community levels. Income-generation projects to support urban-poor communities were developed for the Philippines and Tanzania.

100. Following Governing Council approval of the UNV proposal to use the Special Voluntary Fund (SVF) resources for, among others, pilot projects in support of grass-roots initiatives, projects with a subregional scope were approved for implementation in the areas of artisan promotion, local environment resource management (eco-volunteers), and water supply and sanitation.

101. In response to increased demand for UNV services in humanitarian relief activities, a Humanitarian Relief Unit (HRU) was established at UNV headquarters on a pilot basis, to enable UNV to respond immediately to the urgent requests of United Nations specialized agencies for specialized personnel. In critical cases such as those in Liberia, the Horn of Africa, the Southern Africa drought and the former Yugoslavia, UNV humanitarian activities were programmed under the coordination of the Department of Humanitarian Affairs. HRU also mobilized contributions and pledges totalling $2.5 million from the United States of America, Japan, Sweden, the United Kingdom, Canada, Australia and Ireland for humanitarian activities. By the end of the year, 120 UNV specialists were deployed under HRU within projects and programmes of United Nations specialized agencies such as FAO, the United Nations Disaster Relief Organization (UNDRO),

UNDP, the Office of the United Nations High Commissioner for Refugees (UNHCR), the World Food Programme (WFP) and the World Health Organization (WHO).

102. In the context of the United Nations increased role in preventive diplomacy, peacemaking and peace-keeping, UNV fielded 454 UNV specialists in Cambodia to assist in the elections and electoral support functions at the request of the United Nations Transitory Authority in Cambodia (UNTAC) in the preparation of the forthcoming free and fair elections scheduled for 1993. An additional 54 UNV specialists were fielded to Cambodia under the regular UNV programme in the areas of education, health, agriculture, engineering, and water and sanitation.

D. Global Environment Facility (GEF)

103. The Global Environment Facility was established in 1991 to provide developing countries with financial and technical resources to help address global environmental issues. It focuses on four specific global environmental priorities: (a) reducing global warming; (b) preserving biological diversity; (c) protecting international waters; and (d) controlling ozone layer depletion.

104. GEF is co-managed by UNDP, UNEP and the World Bank. UNDP is responsible for (a) capacity-building and targeted research projects; (b) pre-investment activities; (c) the GEF NGO Small Grants Programme; and (d) facilitating in-country coordination, dissemination of information and prioritization of GEF activities. Central to UNDP participation in GEF is the network of over 120 field offices, where the Resident Representatives play a key coordinating role and help to ensure that GEF activities are complementary with other development activities.

105. The first four tranches of the GEF pilot phase work programme comprised 97 projects costing $693 million, or a little over 94 per cent of the core fund. For the fifth tranche, in terms of numbers of projects, the breakdown is as follows: 55 UNDP projects; 50 World Bank projects; and 5 UNEP projects. The average time for a project to travel the full project cycle is between 12 to 18 months although some moved more quickly. Fifteen technical cooperation projects for which UNDP has executive responsibility were formally approved by UNDP, the Governments and executing agencies. UNDP also approved a total of 17 feasibility studies funded from the Pre-Investment Facility. Emphasis was given overall to balancing the portfolio both thematically and among regions, without sacrificing project quality. This meant continuing to increase the number of global warming projects in the work programme while at the same time boosting Africa's overall allocation.

106. Technical cooperation projects designed for the fifth tranche included efforts to reduce greenhouse gas emissions in the Arab States and India. The aim is to assist in the development of future GEF proposals that maximize greenhouse gas reductions and help countries conform to the climate change convention. Also included were convention linked projects to support the secretariat of the Framework Convention for Climate Change convention with information dissemination and training among signatory countries, and a project to monitor atmospheric parameters related to ozone depletion and global warming mitigation in the countries of the Southern Cone. UNDP and the World Bank were

also working on models of carbon sequestration with the Governments of Cameroon, Guinea and Malaysia.

107. Several biodiversity projects addressed the sustainable management and use of biological resources. In response to experts who have urged GEF to initiate small, focused biodiversity conservation projects rather than large ones, a UNDP project in Mauritius was designed to restore threatened native forests. Another project was designed to protect super-arid, arid and semi-arid grassland ecosystems in Mongolia through developing a national biodiversity conservation area network.

108. UNDP, UNEP and the World Bank continued their efforts to improve consultations with and engagement of, local NGOs and the private sector in developing countries. The aim was to complement the capacity of Governments to launch and sustain biodiversity conservation initiatives. More than 85 NGO representatives participated in the third GEF-NGO Consultation, held in Abidjan, Côte d'Ivoire, in December. Among the items discussed was a case-study presentation of the UNDP project on photovoltaics for household and community use. A study was being prepared on how NGOs should participate in GEF, for the meeting of participants in Beijing in 1993.

109. The GEF NGO Small Grants Programme is managed by UNDP. About $7 million has been made available for this programme in approximately 25 countries. Grants were awarded to community groups and NGOs for activities that demonstrated effective community-based approaches to problems in the four GEF thematic areas. Grants for in-country activities could not exceed $50,000 per project.

E. Trust Fund for the Interim Multilateral Fund under the Montreal Protocol

110. The Montreal Protocol called for the phase out of ozone-depleting substances (ODS) such as CFCs and halons by the year 2000, with developing countries allowed a ten-year grace period. An Interim Multilateral Fund was created to assist developing countries meet their incremental costs (mainly technical and financial) resulting from the adoption of substitute technologies to help them comply with the Protocol's phase-out provisions. By the end of 1992, UNDP had received $11.1 million from the Fund.

111. UNDP assisted 25 developing countries in the planning, preparation and implementation of country programmes, projects and sectoral activities to replace and phase out CFCs and halons through on-site technical training, feasibility and pre-investment studies, and demonstration and investment projects. The sectors covered included refrigeration and air-conditioning, mobile air-conditioning, aerosols, foams, solvents and fire-extinguishing.

112. UNDP helped China conduct two national workshops to develop and finalize a national programme for the phase out of ozone-depleting substances amounting to over $2 billion. A UNDP-led project formulation mission to Egypt finalized six investment projects. The Fund's Executive Committee in October 1992 approved four of them (three in foams, one in refrigeration) totalling $1.8 million. The Costa Rica national ODS phase-out programme, completed with UNDP assistance, was

approved and UNDP began implementing the $393,400 programme. UNDP assisted Bangladesh, Cuba, Indonesia, the Islamic Republic of Iran, Kenya, the Philippines, Sri Lanka, Trinidad and Tobago and Uruguay in country programme formulation. China, Costa Rica, Ghana, India, the Islamic Republic of Iran and Venezuela were being assisted in institutional strengthening for ozone-layer protection. Sectoral demonstration training programmes were completed or were under way in Bangladesh, Brazil, Chile, China, Ecuador, Egypt, Ghana, Indonesia, Jordan, Kenya, Malaysia, Nigeria, the Philippines, Thailand and Venezuela.

F. United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE)

113. In 1992, UNRFNRE began prospecting for gold and base metals in the Geita and Canuck areas in Tanzania. By the end of 1992, preparations were under way for an offshore heavy minerals exploration programme in Sri Lanka. A project to mine zinc and lead in Viet Nam was scheduled to begin shortly. Negotiations were under way for mineral exploration in Namibia in partnership with Italy. In the field of geothermal energy, the Fund was in the final stages of negotiations with Italy with respect to the installation of power plants in Costa Rica, Nicaragua and Mexico. The funding situation of UNRFNRE, while improved over 1991, continued to be inadequate to meet demand.

G. United Nations Fund for Science and Technology (UNFSTD)

114. In 1992, UNFSTD organized six policy meetings, held in Cape Verde, Jamaica, Pakistan, Togo, Uganda and Viet Nam to stimulate country-specific portfolios of science and technology activities to be supported by a coalition of resources including national, bilateral and multilateral funding. The pilot technology incubator scheme, which offered small businesses shared office services, marketing assistance and access to new capital was implemented in 15 countries. The highly successful Repair and Maintenance of Scientific Instruments programme, which started in southern Africa, has now been extended to West Africa and South Asia. Another lead programme "Referral System for Journalists" was launched in Asia. This programme, which is unique in developing countries, brought together scientists and journalists through computerized referral systems to improve the quality of scientific reporting in the media. In the field of new and renewable sources of energy, UNFSTD continued to provide support to rural communities, mainly in the field of basic electricity needs. A total of 33 countries benefit from the TOKTEN programme managed by UNFSTD. Although trust fund contributions were not negligible in 1992, the funding situation of UNFSTD continues to be unsatisfactory.

V. OFFICE FOR PROJECT SERVICES (OPS)

115. OPS implemented projects and programmes funded by UNDP core funds, UNDP-administered funds, other United Nations programmes and by bilateral and multilateral donors through Management Services Agreements (MSAs). OPS provided services ranging from project management inputs to the provision of specific inputs (e.g., goods, international consultants, fellowships) mainly in respect of multisectoral projects and projects not usually handled by United Nations

specialized agencies such as post-emergency rehabilitation, procurement and capacity-building.

116. Building on initiatives started in 1991 following an internal management review, steps were taken to further improve the operational and managerial efficiency of OPS; its ability to adapt to high volumes of work; and its capacity to respond more effectively to its partners' needs. Measures were also introduced to respond to new development priorities and themes such as national execution and the programme approach. Steps taken to improve operational and managerial efficiency included restructuring, creation of a contracts unit, streamlining project management as well as support services, making use of participatory "quality management" processes, and improving information systems. In addition, Project Implementation Assistants (PIAs) were introduced; a roving finance officer was recruited, and efforts were continued to reduce the number of active projects. In line with the UNDP policy to decentralize the field, an operations and management specialist was recruited to coordinate and spearhead OPS decentralization efforts. An OPS methodology was designed to carry out, upon request, country- and sector-specific assessments of existing capacities of national institutions. MSAs were actively pursued as a means to channel additional non-core funds to beneficiaries for development and post-emergency activities. Opportunities were actively explored with multilateral financing institutions to assist in eliminating technical bottlenecks to avoid underuse of loans and credits. An environment unit was created to enable OPS to respond to present and future activities in the environment field and an increasingly active role was played by OPS in the management and implementation of post-emergency rehabilitation activities as a result of OPS experience gained in this area in central America and Cambodia.

117. OPS continued to follow a strategy of consolidation and manageable growth through, among other things, its Project Acceptance Policy, which encourages early consultation with OPS once the Office has been designated as implementing agency. By the end of 1992, a total of 438 projects were accepted; as a result of this pre-screening, only 4 projects were rejected and 22 were deferred. As part of the acceptance policy, OPS is also actively seeking to expand its cooperation with the United Nations specialized agencies. By the end of 1992, OPS had signed 73 inter-agency agreements.

118. OPS became cooperating agency for 67 nationally executed projects valued at $41.9 million. By the end of December, the total OPS portfolio consisted of 1,641 active projects, of which 1,472 were OPS-executed; 158 nationally executed; and 11 for which OPS acts as an associated agency. The value of the 1992 budgets of the portfolio of projects handled by OPS was approximately $475 million; 50 per cent ($235 million) funded by UNDP core funds; 24 per cent ($116 million) by United Nations and UNDP trust funds; and 26 per cent ($124 million) by MSAs. Total OPS project expenditures for 1992 were approximately $370 million. OPS entered into 39 new MSAs: 14 involving development banks; 8 from the International Fund for Agricultural Development (IFAD); and 17 from bilateral donors or the recipient Government itself. At the end of the year, the total number of active MSA projects was 208, which is 36 more than by the end of 1991. The proportion of OPS projects implemented under MSAs remained roughly equivalent to prior years, accounting for 14 per cent of the total number of active projects while the share in value remained around 35 per cent or $683 million (excluding IFAD loan disbursements).

119. OPS contracted the expertise of private, semi-private and public companies and institutions, selected on a competitive basis, awarding 683 contracts for a total value of $68 million, and 75 contract amendments totalling $10 million. By 3 December 1992, OPS had hired an estimated 2,392 individual international consultants and 2,648 national professionals. Also, 510 international experts and 1,500 local support staff were employed. Additionally, a total of 2,451 persons benefited from training in the form of individual fellowships (334), study tours (129), participation in conferences (91), or in-country group training (1,897).

120. The total value of supplies and equipment procured for OPS projects in 1992 was estimated at $32 million (excluding the Japanese Procurement Programme), representing a 5 per cent increase over 1991. Road construction and electronic equipment and motor vehicles remained the major categories of items procured. In addition, $69 million of goods were procured under the Japanese Procurement Programme which financed vital inputs in 20 LDCs under untied grants.

VI. OTHER MAJOR PROGRAMMES

A. United Nations Development Fund for Women (UNIFEM)

121. UNIFEM provides technical cooperation and funding to low-income women in support of their efforts to secure their own economic advancement and an improved quality of life for their families. The Fund also supports activities that bring women into the mainstream development process, working with national governments and NGOs to ensure that their policies are gender-sensitive; disseminating material on gender issues to policy makers, development practitioners and women's groups through a recently established advocacy facility; and promoting the rights of women in situations where the condition of their lives and/or their position in society are being adversely affected.

122. The comparative advantage of UNIFEM lies in its ability to facilitate micro/macro linkages by integrating the activities and goals of low-income women into national policies and programmes. In 1992, on an estimated income of $13.5 million, UNIFEM continued to work in four key programme areas: agriculture; trade and industry; macro policy and planning, and human resource development. The Fund also remained alert to changing priorities on the global agenda, drawing the attention of the international community to the critical role which women must play in operationalizing the concept of sustainable development and taking some initial steps towards advancing a development approach in relief efforts among the predominantly female communities of refugees and displaced persons.

123. In the Africa region, UNIFEM sought to enhance its efforts in the area of agriculture and food security. The Fund also worked with subregional groupings to facilitate women's participation in the informal trade sector, especially in cross border trade and micro-enterprises. Another major initiative centred on building the national and subregional capacities of indigenous research and training institutions in the area of gender-training.

124. The Asia and the Pacific region saw UNIFEM following up its 1991 "Peasant Summits", sending representatives of grass-roots women to the Global Forum in

Rio, and organizing subsequent meetings between the women and national planners in order to further collaboration on steps to be taken in implementing agreements negotiated at UNCED and the Global Forum. Attention was also directed towards refining models of gender-responsive national development planning and developing a programme in Western Asia to strengthen institutions dealing with enterprise development for women.

125. Improving women's access to credit and appropriate new technologies; gender training exercises that focused on sensitizing policy makers; the strengthening of women's organizations; and initiatives that addressed such critical current issues as violence against women and sustainable development all formed part of UNIFEM work in the Latin American and Caribbean region in the period under review.

B. Technical cooperation among developing countries (TCDC)

126. Solid progress was made in the promotion of TCDC. A programming document providing $15 million for the fifth cycle was approved by the Governing Council at its special session in February, setting forth a strategy and areas of focus, criteria, and types of activities to be supported during the period 1992-1996.

127. The Economic and Social Council, in its resolution 1992/41 of 30 July 1992 on TCDC, called upon all parties in the development effort to make concerted, planned and vigorous endeavours to benefit from the utilization of the capacities of developing countries, by giving their full support and first consideration to the use of the TCDC modality. Pursuant to this, there were expectations of increased application of the TCDC modality.

128. Sensitization and information activities on TCDC. These were intensified, targeting Governments, the United Nations development system, intergovernmental organizations (IGOs), NGOs and other key actors in the development process using a more cost-effective and decentralized training of trainers scheme. A comprehensive trainers' guide was prepared, tested and distributed to field offices and Governments, and information kits on TCDC were provided and the Cooperation South magazine was published. A newsletter was produced on a regular basis and both a booklet and a video on TCDC were completed.

129. National focal points for TCDC. In response to Economic and Social Council decision 1992/4, in which the Council invited developing countries to strengthen their national focal points to promote more effectively and monitor progress in TCDC, two regional workshops (Latin America and the Arab region) were held to strengthen the role of TCDC national focal points in promoting and advising on the application of TCDC. Focal point meetings for the African and Asian regions were planned in early 1993. Instruments for the promotion of TCDC at national and international levels were examined, recommendations were adopted on national policies on TCDC, on the appropriate location of the national focal point in the Government structure, and on focal point functions, and experiences were exchanged. Guidelines were prepared for the review of policies and procedures on TCDC in the United Nations development system for submission to the Administrative Committee on Coordination (ACC) for its review and transmission to the Eighth High-level Committee.

130. To publicize the promotional role of the Special Unit for TCDC and the TCDC SPR funds, a circular letter from the Associate Administrator was sent to all Resident Representatives in April 1992, highlighting the priority given to TCDC, the strategy for its promotion, and the specific resources available, including catalytic financing for requests from Governments, expanded TCDC-INRES information data bank services, and support for TCDC sensitization workshops. Response from the field was positive and resulted in an increased effort by the field offices to promote TCDC.

131. TCDC-INRES. Activities aimed at updating and at the wider dissemination of information on developing country capacities in 35 countries; the database was decentralized to 15 different locations around the world, including to FAO, OAU and the United Nations Industrial Development Organization (UNIDO) and AfDB, thus facilitating better access and use of information.

132. Capacities and needs-matching exercises. Formerly called TCDC programming exercises, these continued to be an effective means of interaction among developing countries on specific priority sectors and for promoting the increased use of the TCDC modality. Matching exercises were held in Argentina (food and agriculture), Chile (health), Ecuador (mining and environment), Indonesia (coconut development), Pakistan (civil aviation), and Singapore (management training) resulting in new agreements and shared experience.

133. Intercountry workshops. Exchange of information, experiences and transfer of technology among developing countries continued. Workshops covered, for example, air transport (Ethiopia); networking among grass-roots women's organizations (Ghana); TCDC aid coordination and resource mobilization (Seychelles); meat preservation technologies (Senegal); macroeconomic planning for island countries (Fiji); spare parts re-conditioning (Cuba); technical cooperation for transition (Commonwealth of Independent States, the Baltic States and Poland); urban management (Malaysia), and intellectual property and trade (Philippines). These workshops emphasized a practical approach with well-focused agenda and outputs which would result in follow-up activities for sustained collaboration between the participating countries. These subject-specific workshops also promoted other priority themes such as women in development, poverty alleviation, primary health and human resources development. They resulted, inter alia, in increased complementarity between TCDC, SPR and the IPFs.

C. Inter-agency Procurement Services Office (IAPSO)

134. The IAPSO mandate in procurement matters is to serve as a coordinator among United Nations specialized agencies, to disseminate procurement information in order to identify opportunities for improved operational and cost-effectiveness and to promote wider geographical distribution of United Nations contracts with special emphasis on developing and underutilized major donor countries.

135. Standardization of common-user items was continued and negotiation of preferential prices for all United Nations organizations was extended to cover light and heavy vehicles, motorcycles, and office and computer equipment. System-wide collaboration on procurement of common-user items enabled central negotiations of preferential prices, based on aggregate United Nations volumes

and international bidding. The availability of prenegotiated prices facilitated the decentralization of procurement and generated significant savings. For motor vehicles alone, direct savings were estimated at $15 million annually and lower costs resulted from simplified administrative procedures. Common-user items were routinely detailed in updated catalogues. Moreover, IAPSO provided direct procurement services for common-user items at the request of UNDP field offices, Governments and NGOs. In total, 1,850 purchase orders were processed for a total value of $31.4 million.

136. A United Nations common vendor database was developed with the collaboration of United Nations specialized agencies. The database contains active United Nations suppliers and facilitates easy access to verified procurement sources for goods and services. In July, all United Nations specialized agencies received a first set of computer diskettes containing the database. Updates will be distributed regularly, although on-line access to the database is also possible. The database provides an effective tool to share procurement information among agencies in the interest of improved geographical distribution of procurement in the interest of cost efficiency.

137. There was continued development of the United Nations Common Coding System (UNCCS) as a tool to render procurement information accessible and statistical reporting more accurate. The system is used to classify goods and services in the common vendor database. An increasing number of United Nations specialized agencies adopted the classification system and interest was expressed by some Governments for their own use. Consultations also took place with the European Community.

138. IAPSO devoted attention to promoting procurement from developing countries and the underutilized major donor countries. In the case of developing countries, technical cooperation projects were executed jointly with Governments, OPS and the International Trade Centre (ITC). During the year, catalogues on potential supply sources were published for Kenya and Morocco, while work advanced on similar projects for Nigeria and Singapore. New projects were initiated with Argentina and the Republic of Korea. In addition to the country-specific catalogues, IAPSO began elaborating a buyer's guide containing potential supply sources for selected groups of products from developing countries and underutilized major donor countries already identified.

139. Updated country catalogues on potential procurement sources in underutilized major donor countries were published for Denmark, Finland, Norway and Sweden. To promote the interest of the business community in the target countries, business seminars were organized with other agencies such as UNICEF or OPS and national focal points. The annual publication of the "General Business Guide" in English, French and Spanish and the monthly publication "Procurement Update" were routinely disseminated to the business community to facilitate access to the United Nations system.

140. The relocation of IAPSO to Denmark in 1989 gave UNDP a strategic position vis-à-vis major European donors and afforded new opportunities to promote UNDP informational activities as well as development dialogue with respective Governments. IAPSO assumed responsibility for the distribution of UNDP publications to the Nordic countries on behalf of the Division of Public Affairs

and support has been provided to that Division through the in-house printing facility, which, inter alia, produced the advanced report on human development.

141. Annual statistical reports were compiled for procurement by the United Nations system, including technical cooperation components such as experts, consultants and fellowships for the Governing Council and the Economic and Social Council. IAPSO also compiled an annual inventory report on UNDP field motor vehicles, which showed that 94 per cent of the vehicle fleet now conforms with the United Nations motor vehicles standards prepared by IAPSO.